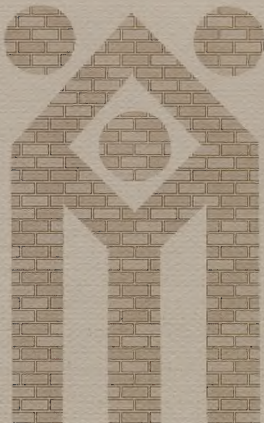


Housing Authority Of The City Of Newark
1989 ANNUAL REPORT



T U R N I N G T H E C O R N E R



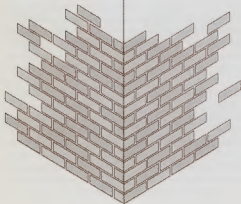
Dr. Blue's Statement

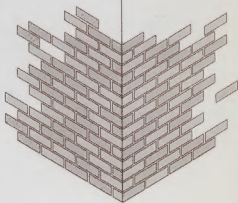
The Housing Authority of the City of Newark has been greatly improved because of the accomplishments made during the past year. We have finally turned the corner toward becoming more responsive to the needs of the residents and more efficient in the delivery of services.

We have entered a new era in development, construction and modernization. The challenges we confronted in our effort to rehabilitate existing housing stock were met during the 1989 fiscal year. The catalyst that propelled our modernization plans toward becoming a reality resulted from the Authority's ability to commit \$31 million in modernization funds during a six-month period. As part of our modernization effort, we created and implemented three Apartment Turnover Teams comprising skilled tradesmen to effect apartment renovation and to reduce the number of families on the waiting list. We also anticipate announcing groundbreaking for new construction of approximately 465 units before the end of 1990.

Our plans for replacing high-rise apartments with townhouses for families are moving forward. During the past year, the plan to demolish vacant high-rises received opposition from the Newark Coalition for Low Income Housing. But in September, an agreement was reached after extensive hard negotiations between the Authority, the Coalition, residents, HUD and the City that was hailed as a victory for everyone.

During this past year we began to lay the foundation on which future improvements will be made and to shape the future of public housing in Newark. As 1990 begins, we have turned the corner and are now in a position to forge ahead with massive construction plans to ensure the availability of affordable housing for low-income Newark residents.





Office of the Executive Director

The Office of the Executive Director is comprised of three divisions which all report directly to the Executive Director. The Executive Director is responsible for overseeing all Housing operations, supervising low-income housing programs and monitoring activities in modernization, redevelopment, new construction and urban renewal.

The Assistant Executive Director is responsible for the Affirmative Action programs and serves as the head of all seven Housing departments. The Chief of Staff heads the offices of Planning, Research and Grantmanship, Public Relations and the Budget Office.

The NHA also has a Board of Commissioners which is responsible for electing the Executive Director and whose members are themselves appointed by the Mayor of Newark and the Governor of the State of New Jersey.

This organizational structure creates a balance of power and responsibility among a group of qualified people who make the decisions that affect policy and direction.

The past year was an exciting time for the Housing Authority. The positive changes occurring at the NHA were precipitated in part by the trend of revitalization evident in the City of Newark. Under the dynamic leadership of Dr. Daniel Blue's administration, the Authority has been able to not only rise to the challenges of change but has also managed to lead with its innovative approaches to problems. A long term commitment to residents and the City's future has been made possible with the timely actions taken that will help spur development in Newark.

As part of its Urban Renewal powers, the Housing Authority entered into a \$400 million cooperative enterprise that will facilitate the construction of a major residential, commercial and entertainment center on a 6.2 acre parcel of land owned by the NHA. The Authority will maintain an equity interest in a multi-level parking facility that will be a part of this enterprise.

A settlement reached between the Housing Authority and the Newark Coalition for the Low Income Housing regarding the demolition of Columbus Homes was far reaching in its future consequences. As a result of the settlement, the Authority has received a commitment of funding and resources to build over 1700 new units throughout the City.

The Housing Authority was also busy this past year getting its good news out to media representatives, residents and the community. More press conferences and media receptions were held to keep the public and housing residents informed on the rapidly occurring events. The Public Relations division expanded its staff to better handle the dissemination of information and to assist in answering individual inquiries. The more open exchange of information is beneficial not only to the Authority but to the residents as well who feel like their concerns are being heard and considered.



The Department of Housing Management

The Department of Housing Management is responsible for the management of all Housing Authority properties and the residents who live in them. The divisions that the Department of Housing Management oversees are family and community services, security, central maintenance, project maintenance, tenant selection/Section 8, relocation and the Stella Wright Resident Management Corporation.

The Department also implements programs to enhance the quality of life for residents by assisting them in creating special programs that range from bus trips and health care to senior citizen work projects. These resident programs have been successful and the Housing Authority is committed to continuing and expanding them in the future.

During the past year, the Department of Housing Management has been in the forefront of meeting the challenge to increase the effectiveness of the NHA's service delivery system. A major undertaking of the Department centered on the creation of an Apartment Turnover Team (ATO) project to facilitate the NHA's ability to meet the requirements of the Columbus Homes court settlement agreement. The ATO project, comprised of three teams of skilled tradesman, is responsible for renovating and preparing for occupancy vacant apartments at designated NHA complexes for both new and existing residents.

The establishment of the ATO project has enabled the NHA to renovate and prepare for occupancy a minimum of 136 apartments per month. As a result of the project, approximately 500 applicants who had previously been on the NHA waiting list were placed into apartments during a six-month period. In addition to increased occupancy, the creation of the ATO project has also resulted in reduced turnaround time, the placement of residents in appropriately sized units and the relocation of residents to lower floors at the Kretschmer, Hayes and Scudder Homes complexes.

The Department developed a new occupancy policy that improved the screening procedures for tenant selection, admissions and transfers. The Department also adopted a new policy that enables the near elderly to apply for affordable housing at the elderly complexes.

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The NHA, through the Department of Housing Management, also received support for resident initiatives through grant awards, local private and public funds, educational seminars and public forums.

The NHA is committed to continuing the instituted improvements and to insuring that a decent quality of life is provided for all the residents of NHA's public housing complexes.



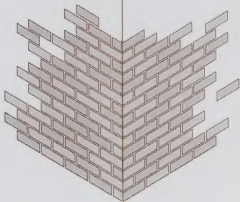


The Department of Modernization

The Department of Modernization recently became a free-standing department within the Housing Authority and is solely responsible for all capital improvement activities undertaken by the NHA. These improvements range from installation of new roofs, to updating boiler plants, to rehabilitating aged apartments. This department submits proposals to the Department of Housing and Urban Development for funding under the Comprehensive Improvement Assistance Program.

The Department of Modernization received \$18 million from HUD under its Comprehensive Improvement Assistance Program (CIAP) during the 1989 fiscal year. This 1989 award was the largest modernization award ever granted to a public housing authority in the state of New Jersey. With these funds, the Housing Authority will replace the underground steam system and underground fuel tanks, install fire escapes and individual thermostats, remove asbestos, and replace radiator valves, steam traps and zone valves.

To reinforce NHA initiatives to restore safety to public housing complexes, a \$608,804 CIAP grant from HUD was awarded to help combat drugs through the formation of a Community Investigation Unit, Tenant Security Awareness Program and resident watch patrols.







Public Housing Units

1. Seth Boyden Court (Complex)
Seth Boyden Elderly (2 units)
2. Pennington Court
3. Baxter Terrace (Complex)
Baxter Terrace Elderly
4. Stephen Crane Village (Complex)
Stephen Crane Elderly (3 units)
5. Hyatt Court
6. Felix Fuld
7. Terrell Homes
8. Kretschmer Homes (Complex)
Kretschmer Homes Elderly (2 units)
9. Walsh Homes
10. Hayes Homes (Complex)
Hayes Homes Elderly
11. Columbus Homes
12. Bradley Court (Complex)
Bradley Court II
13. Stella Wright Homes
14. Scudder Homes
15. James C. White Manor
16. Scattered Site
17. Branch Brook Park Manor

The Department of Personnel

The Personnel Department is responsible for maintaining all personnel policies and practices at the NHA, as well as protecting the rights of workers through the administration of the Equal Employment Opportunity Program.

This Department also provides all new employees with an orientation program and informs employees and the public about growth and advancement opportunities available at the NHA. In addition, employees are encouraged to offer ideas and suggestions to promote greater efficiency and effectiveness in the implementation of their jobs. The Department also offers an employee assistance program geared toward addressing employees' health and personal concerns, while stressing a drug-free workplace.

Consistent with the Executive Director's action plan for 1989, the Personnel Department embarked on an ambitious effort designed to achieve maximum efficiency at the NHA. The initiative was begun with reassessing staffing requirements. A massive recruitment program followed to acquire qualified staff for several key positions. The effort also included a promotional program and the creation of positions with increased responsibility serving as an incentive for employees wishing to advance careers at the Newark Housing Authority.

Each year, the NHA salutes employees who have performed outstanding jobs at the annual Employee Recognition Awards Program. Proceeds from the event are donated to the Newark Scholarship Foundation which assists in paying for the college education of high school seniors who live in public housing.

This past year, the Personnel Department participated in labor union negotiations with the largest employee unions, Local 305 and Local 32. Over 80 percent of NHA employees maintain membership in these unions. Two outcomes of the negotiations were the settlement of the contract in a timely fashion and the renewal of an open door policy with union representatives to promote cordial labor relations with management.

As part of its responsibility, the Personnel Department also provided training opportunities for 300 middle management staff during the past year. Training curriculum focused on leadership skills and stress management, effective supervision, management skills and problem-solving. In cooperation with the State Department of Labor, the NHA also conducted a series of workshops that addressed occupational hazards on project sites for housing managers and project maintenance superintendents. Additionally, over 150 NHA employees participated in various seminars designed to upgrade skill levels and productivity.



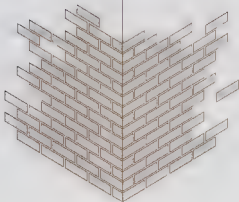
The Department of Redevelopment and Construction Administration

The NHA has responsibilities both as a supplier of low-income housing and as an urban renewal agency.

Construction Administration is in charge of acquiring and clearing land for the construction of low-income housing, preparing project specifications for bid by contractors and supervising the construction process.

The Redevelopment Administration oversees urban renewal planning and the acquisition, clearance and disposition of land to private developers. Since its authorization as an urban renewal and redevelopment agency in 1949, the Housing Authority has been the catalyst for projects that have resulted in \$1.3 billion of construction and the creation of 6,251 units of new housing.

The Department has also projected construction dates for four sites from September 1990 to December 1990 involving the construction of 514 units and their completion.



Finance and Accounts Department

Control and management of all NHA assets is the responsibility of the Finance and Accounts Department. The department administers over one half billion dollars in assets, with operating budgets for modernization, public housing and urban renewal.

The department consists of five divisions: Accounting, Rent Collection, Central Tenancy, Data Processing and Payroll.

During the past year this department accomplished many things. It instituted procedures to maintain bank account reconciliation internally which eliminated the need for an external accounting firm, resulting in thousands of dollars of savings to the NHA. The professional staff of the department keeps abreast of the fluctuating economy and has taken advantage of economic trends resulting in increased income on available dollars. Also a new rent collection policy was established which streamlined Housing Authority rental collection increasing efficiency of the department.



The Department of Administration

The Department of Administration is responsible for expediting contracts, purchase orders, warehouse and inventory control, and all office services. This very busy department was recently made more efficient through a specially designed computer system. There are four divisions in this department, each responsible for a specified function. The four divisions are: Contracts, Purchasing, Warehouse and Office Services.

The Director of Administration also heads a number of committees and task forces, including the Decontrol and the Comprehensive Occupancy Plan committees.

The Contracts Division during this past year reviewed and revised its contract procedures in order to expedite the award of contracts to qualified companies.

With the department's overall increased efficiency, the NHA was able to reduce both the dollar value and quantity of inventory in its central warehousing.

Increased activity in both construction and modernization brought about an opportunity for the Administration Department to institute tighter controls of equipment distributed to development sites.





The Legal Department

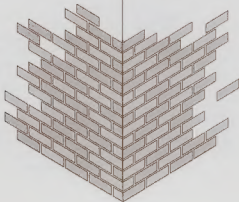
The Legal Department of the NHA is comprised of the general counsel, four senior associate counsels, paralegals and a support staff. The department is responsible for representing the Housing Authority in all legal matters, from contract negotiations to counseling to litigation and lawsuits.

This past year the Legal Department participated in the settlement negotiations regarding the Newark Coalition for Low Income Housing, et al. v. the Housing Authority of the City of Newark et al. The settlement has been recognized nationwide and has placed the Housing Authority at the forefront of policy leadership with respect to the demolition of high-rise dwellings.

A series of management training seminars on landlord/tenancy laws were conducted by the Legal Department. Housing staff and resident management were trained in the laws that govern the eviction process and rent collection.

Also this past year, the Legal Department worked with the Re-development Department in revising the procedures for land disposition and lease policies that would help facilitate the NHA's master plan.

As part of a Federal agency, the Legal Department of the Housing Authority prepared proposed amendments to the Drug and Eviction Laws of the State of New Jersey that would result in the eviction of tenants involved with the illegal substance trade and abuse.



Housing Authority Of The City Of Newark
Balance Sheet
April 1, 1988 - March 31, 1989

Assets:

Cash	\$3,385,466
Investments	\$19,541,547
Receivables-Prepayments	\$34,474,557
Land, Structures, equipment	\$368,794,256
Total	\$426,195,828

Liabilities And Reserves:

Permanent Notes and Bonds	\$123,454,522
Accrued Interest Payable	\$26,428,541
Bonds Outstanding	\$63,892,000
Accounts Payable	\$6,037,088
Deferred Credits-Pension	\$166,710
Capital Contributions	\$9,310,777
Operating and Replacement Reserves	\$27,936,857
Restricted Reserves	\$168,969,333
Total	\$426,195,828

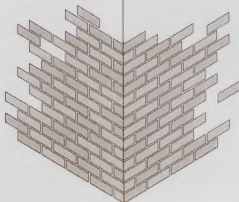
Housing Authority Of The City Of Newark
Statement Of Income And Expenses
April 1, 1988 - March 31, 1989

Income:

Dwelling Rental	\$13,772,230
Investment Interest	\$1,514,457
Other Income	\$186,999
Federal Subsidy	\$30,877,369
Total	\$46,351,055

Expenses:

Administrative	\$7,313,106
Maintenance	\$14,632,888
Utilities	\$13,645,910
Security	\$1,742,363
Employee Benefits	\$5,668,395
Insurance	\$1,655,806
Tenant Services	\$826,589
Other Expenses	\$865,996
Total	\$46,351,055



The Housing Authority
Of The City Of Newark

Board Of Commissioners

Gloria L. Cartwright
Charon Motayne
Lynell Robinson
Anthony J. Ammiano
Zinnerford Smith
Anthony Carrino
Wilnora Holman

Executive Director

Dr. Daniel W. Blus, Jr.

Assistant Executive Director

Benjamin R. Bell

1989 Highlights

• As a result of the Columbus Homes court settlement agreement between the NHA and the Newark Coalition for Low Income Housing, the Housing Authority will be receiving an additional \$100 million from HUD to renovate and build 1,700 units over the next six years. Apartment Turnover Teams (ATO) were formed that renovate record numbers of apartments in compliance with the court settlement.

• The NHA entered into a unique partnership with Capital Hill Investment Corp. of New York for a 2-million-plus-square-foot, \$400 million downtown riverfront redevelopment project that will include offices, condominiums and/or hotel, retail establishments and multi-level parking. NHA will hold an equity interest in the profits of the parking facility.



Housing Authority Of The City Of Newark
57 SUSSEX AVENUE • NEWARK, NEW JERSEY • 07103-3992

